

Terms and Conditions for the Digital PayPal Consumer Debit Mastercard

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Contracting Party and Scope of these Terms and Conditions

These Terms and Conditions (“**T&Cs**”) constitute a legal agreement between you and PayPal (Europe) S.à r.l. et Cie, S.C.A. (“**we**” or “**PayPal**”). They govern the use of your digital German PayPal Consumer Debit Mastercard (“**Your Digital Card**”).

These T&Cs supplement the PayPal **User Agreement** that governs your use of PayPal’s services in general. If there is any conflict between these T&Cs and the PayPal **User Agreement**, these T&Cs shall prevail.

Eligibility and Conclusion of Contract

To make use of Your Digital Card you need a PayPal personal account governed by the **User Agreement** applicable to German residents (“**PayPal account**”). Furthermore, you must have a confirmed bank account which is linked to your PayPal account, and you must have provided PayPal with a valid SEPA direct debit mandate. If you withdraw such mandate, you must provide a new one to be able to continue using Your Digital Card.

You make a binding offer to PayPal by clicking on the “agree and activate” button, thus showing your acceptance of the T&Cs. The card agreement is concluded once PayPal accepts your offer as indicated by a confirmation page. We may reject applications for a Digital Card.

Possible Uses

You can make in-store payments, but also online payments with Your Digital Card by using your mobile phone or other mobile device (“**Device**”) which enables the use of digital cards, provided your Device has a supported operating system as published on our website.

Technical Requirement: Near Field Communication

Contactless transactions with Your Digital Card at the point of sale are based on near field communication technology and your Device needs to enable this technology for use with Your Digital Card. If you do not want to use near field communication technology, you may remove Your Digital Card anytime or you may disable near field communication in your Device’s account settings anytime. No payments with Your Digital Card at the point of sale are possible without this technology.

Limits on Usage

You are obliged to use Your Digital Card only within certain daily limits on usage. You can see the daily limits for payments and cash withdrawals when logging into your PayPal account. The limits are set by PayPal and may not be changed by you.

No Buyer Protection for In-Store Transactions with Your Digital Card

In-store payments with your Digital Card are not eligible for PayPal Buyer Protection. Only online payments with your Digital Card are eligible for PayPal's Buyer Protection subject to the conditions set forth in [PayPal's Buyer Protection Program](#).

Authorisation of Transactions

You authorise payments with Your Digital Card when unlocking your Device by entering a passcode or biometric details and placing it near a merchant's contactless-enabled point-of-sale terminal or reader. At unattended terminals (e.g. transportation or parking), not all steps may be required.

For online transactions you may need further security credentials such as:

- Knowledge elements, e.g. a password which must be kept secret, and which may not be communicated verbally, by e-mail or stored electronically.
- Ownership elements, e.g. a mobile device, which must be protected against misuse, may not be shared with other person, and its authentication elements (such as passcode) may not be passed on.
- Biometric elements, e.g. your fingerprint may only be used as an authentication element on your mobile device and other person's biometrics may not be stored on the same device.

You cannot cancel payments which you have already authorised and to which the merchant already consented.

You may be able to cancel transactions that you have authorised for a future date (e.g. recurring transactions) by contacting the merchant before the date on which the payment is due to be made, or by contacting us.

A merchant may obtain a pre-authorisation for a transaction. In this case, the transaction will first be authorised and debited to your PayPal account at a later point in time. We will place a hold on your PayPal account balance at the time of authorisation up to the authorised transaction amount and against your usage limits.

Rejection of card payments by PayPal

PayPal is entitled to reject a card payment if:

- the balance of your PayPal account shows an amount due to us;
- you have neither balance on your PayPal account nor provided a valid SEPA direct debit mandate;
- the usage limit applicable to Your Digital Card is not complied with;
- Your Digital Card is locked; or
- any of the reasons provided for in the User Agreement.

You will be informed of this via the payment terminal or online messaging.

Your Payment Obligation

When you use Your Digital Card for a transaction, i.e. give a payment order, you are obliged to reimburse the transaction amount to us. To this end, you authorize us to debit the respective amount from your PayPal account balance. To the extent that there is no or only an insufficient balance available to fund such transaction, you hereby authorize PayPal to debit the amount from your bank account via direct debit, to credit this amount to your PayPal account and to use it for the payment with Your Digital Card. This means we will prioritize your balance on the PayPal account for a payment with Your Digital Card and only draw the amount from your bank account via direct debit to the extent that the balance on your PayPal account is insufficient. You are obliged to reimburse us for any transaction amount even if you exceeded your daily limits or have withdrawn your direct debit mandate.

No Use of Your Non-Euro-Balance

It is possible to maintain balances in different currencies in your PayPal account. However, balances in currencies other than EUR (that were in your PayPal account prior to the transaction) will not be used to fulfil your payment obligation pursuant to the section "Your Payment Obligation".

How long will my payment take?

The payment is initiated by the merchant. PayPal is obliged to ensure that the transaction amount is received by the payment service provider of the merchant within one Business Day if the payment is made in Euro within the European Economic Area (EEA), within four Business Days if the payment is in a different currency of the EEA within the EEA, and as soon as possible if the payment is made outside the EEA.

If we receive the payment order on a Business Day after 4 pm CET, then the payment order is deemed to be received on the next Business Day. The above execution times only start running at the point of time that a payment order is deemed to be received.

Cash Withdrawals

You may use Your Digital Card to withdraw cash provided you have a balance on your PayPal account and a merchant offers this possibility. The cash withdrawal is also subject to a limit which PayPal may set and which you can see when logging into your PayPal account.

Fees and Currency Conversion

We do not charge any fees for Your Digital Card.

However, if a funding source payment is reversed, we are entitled to reimbursement of damages subject to the conditions in the section Your [Liability](#) in the [User Agreement](#).

In case the payment with Your Digital Card involves a currency conversion, Mastercard's foreign exchange rates will be applied. The exchange rate that is applied will usually be the rate on the date that the transaction was authorized. However, in certain circumstances, the exchange rate that is applied may be the rate on the date when the transaction is processed by Mastercard's system which may be different to the exchange rate on the date of the transaction. PayPal does not charge currency conversion fees for transactions with Your Digital Card. Please see [Mastercard Currency Conversion Calculator](#) for Mastercard's currency conversion rates.

You bear the costs for the use of means of long-distance communication (e.g. internet costs) yourself.

Transaction Information and monthly Statement

You will receive all relevant information on each payment transaction made with Your Digital Card by email. You also have the possibility to generate, in your PayPal account interface, an electronic statement each month with all your payment transactions including those made by using Your Digital Card in your PayPal account.

Your Obligations: Protecting your Device and other Security Credentials

You are obliged to take all reasonable precautions to protect your Device and Your Digital Card from unauthorized access by a third party ("**Security Event**"). If you lose your Device, you must inform us immediately. To inform us of a Security Event, please contact [Customer Support](#). If you are calling outside office hours, use our PayPal App or our website to report Your Digital Card lost or stolen.

You are not allowed to enable a third party to use Your Digital Card. You may not share your passcode or other security credentials for unlocking your Device with any other person and you must ensure that no other person obtains knowledge of your security credentials (such as PIN, passcodes or passwords). Do not note down security credentials and store them with Your Digital

Card or Device nor share them with other persons. Biometric elements such as your fingerprint may only be used for authentication on your own Device and no other person's biometric elements may be stored on the same Device.

If you have a new Device, make sure you delete Your Digital Card on your previous Device which you do not use anymore.

You may use Your Digital Card only on your own Devices, not on Devices of third parties.

Notification Requirement in Case of Unauthorized Use of Your Digital Cards

Should you notice or suspect that you have lost your Device, which you have used for Your Digital Cards or notice or suspect an unauthorized use of your PayPal account or Your Digital Card, you must notify us immediately by contacting **Customer Support**. If you are calling outside office hours, use our PayPal App or our website to report Your Digital Card lost or stolen.

See the **[section resolving problems in the PayPal user agreement](#)** for further information.

You must also report any theft or misuse to the police without delay.

PayPal's liability for unauthorised transactions

In the event of an unauthorised payment with your PayPal consumer debit card, PayPal is required to refund the transaction amount to your PayPal account if the amount has already been debited to your PayPal account.

PayPal's liability in the event of non-executed, incorrect execution or late execution of authorised card transactions

In the event of a non-execution or defective execution of an authorised card transaction you may demand from PayPal the immediate and full refund of the amount of the transaction to the extent that the card transaction was not or incorrectly executed. If the amount has not yet been debited, PayPal will not charge your PayPal account.

In addition, you may demand from PayPal the refund of any fees to the extent that they were charged in connection with the non-execution or incorrect execution of the authorised card transaction.

If the payment amount is received by the merchant's payment service provider after the execution time specified above has expired, the merchant may request its payment service provider to credit the payment amount to the merchant's account as if the card payment had been correctly executed.

If an authorised card transaction is not executed or is executed incorrectly, PayPal shall, at your

request, investigate the card transaction and inform you of the result.

For any other breaches of duty on PayPal's part, the section "Limitation of Liability" in the User Agreement shall apply.

Exclusion of PayPal's liability

PayPal's liability as set out above is excluded if you have not notified PayPal that the card transaction was unauthorised, not executed, or incorrect no later than 13 months from the date the card transaction was charged.

The 13-month period starts only if PayPal has informed you about the debiting due to your PayPal consumer debit card transaction within one month after the debiting. Otherwise, the start of the period shall be determined by the date of you being notified of the debiting. You may assert such liability claims even after expiration of the 13-months period if you were prevented from complying with this period by no fault of your own.

Claims against PayPal are excluded if the circumstances that give reason for a claim:

- are based on an unusual and unforeseeable event which is beyond PayPal's control and the consequences of that event could not have been avoided by PayPal despite due diligence; or
- were caused by PayPal due to a legal obligation.

Refund for authorized transactions without exact amount and deadline

You may demand an immediate and full refund of the transaction amount from us if you have authorised a transaction with a merchant in such a way that:

- the exact amount was not specified at the time of authorisation; and
- the payment transaction exceeds the amount that you could have expected according to your previous spending behavior, the content of these T&Cs and the respective circumstances of the individual case; reasons related to any currency exchange shall not be taken into account if the agreed reference exchange rate was used as a basis.

You are obliged to explain to us the circumstances from which you derive your claim for refund.

The right to a refund is excluded if you have not asserted your claim against us within eight weeks of the date on which the transaction was debited to your PayPal account.

Your liability in case of unauthorised card transactions

You are liable to PayPal for the reimbursement of all damages incurred by PayPal as a result of the unauthorised payments with Your Digital Card if:

- you acted fraudulently;
- you violated one of the obligations as regards protecting your Device, PayPal account, and security credentials intentionally or as a result of gross negligence, and if this violation enabled the unauthorised transaction; or
- any of the reasons stated in the User Agreement.

This does not apply if you could not notify PayPal of a Security Event, because PayPal did not provide for the possibility to receive such notices. Further this also does not apply if it was not possible for you to notice the loss of Your Digital Card or the loss was caused by an employee, agent or other entity to which activities have been outsourced by PayPal.

You are not liable in case strong customer authentication was not performed despite such an obligation applying by law.

As soon as you have fulfilled your obligation to notify PayPal of a Security Event, you are not liable for damages incurred by PayPal after your notification. This does not apply if you acted fraudulently. Your liability is limited to the usage limit of Your Digital Card.

Replacement cards

We may update and replace Your Digital Card by making a new card available to you. We do not charge any fees for this.

Changes to these T&Cs

Changes to these T&Cs will be proposed in text form (e.g. by e-mail) no later than two months prior to the proposed effective date. You may either agree to or reject the changes prior to the effective date.

To the extent such changes are:

- required to implement legislative changes or changes in case law;
- due to changes to the regulatory administrative practice or rulings by a competent administrative authority; or
- of a linguistic nature only or update information (e.g. contact information) regarding PayPal,

you shall be deemed to have given consent to such changes unless you have notified us prior to the effective date of your rejection. We will explicitly notify you of the effect of deemed consent when proposing the changes. When we propose such changes, you may also terminate the agreement with us without notice and free of charge prior to such changes taking effect. We will inform you of your termination right when proposing the changes.

Other changes proposed by PayPal shall only become effective with your express consent. In

particular, your express consent will be required for any changes that:

- affect any main performance obligations (e.g. fees);
- would be equivalent to the conclusion of a new contract;
- would shift the previously agreed equilibrium between performance and consideration under these T&Cs to the favor of PayPal; or
- would change the contractual nature of the agreement.

Your Right to Terminate

These T&Cs do not have a fixed term. You may terminate these T&Cs at any time. To this end, you can for example simply remove Your Digital Card in settings or contact our customer service. You will remain liable for all outstanding obligations under these T&Cs.

PayPal's Right to Terminate

We may terminate these T&Cs, i.e. the use of Your Digital Card by providing you with at least 2 months' prior notice.

We may also terminate these T&Cs without notice if there is an important reason which makes it unreasonable for us to continue providing the services governed by these T&Cs even when taking into account your legitimate interests. In particular, if you violate any obligations under these T&Cs, we may suspend Your Digital Card or terminate these T&Cs and/or terminate, suspend or take any action related to your PayPal account in accordance with the provisions of the **User Agreement**. PayPal's additional rights are set out in section "**Actions We May Take if You Engage in Any Restricted Activity**" of the PayPal User Agreement.

In such case, the termination will occur after having provided you with a warning and/or an opportunity to remedy the violation, if a remedy can be reasonably expected under the circumstances of the specific case.

Privacy

PayPal's **Privacy Statement** applies for the use of Your Digital Card.

Additional Terms in PayPal User Agreement

In addition to these T&Cs, your use of Your Digital Card is governed by PayPal's **User Agreement** (including **PayPal's Acceptable Use Policy**). You will for example find provisions and information about:

- How to contact PayPal and how to resolve problems or lodge complaints

- The Governing Law and jurisdiction
- Language of the contract